



Alabama Economic Update

January 28, 2016

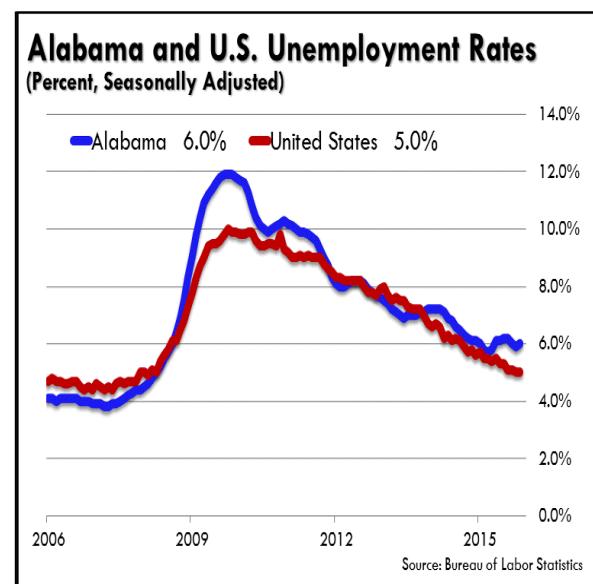
Summary

Nonfarm payroll employment in Alabama decreased by 1,400 jobs and the unemployment rate increased to 6.2 percent in December according to data released by the Bureau of Labor Statistics (BLS).

Alabama Unemployment Rate

During December, the unemployment rate in Alabama increased to 6.2 percent. The number of people counted as unemployed increased by 4,900 in December to 133,000, while the labor force increased by 9,100 to 2,154,800.

The 10-year peak for the unemployment rate in Alabama was 11.9 percent in November 2009. The series high for the unemployment rate in Alabama occurred in December 1982 when the unemployment rate reached 15.5 percent. The 10-year and all-time low for the unemployment rate in Alabama are both 3.8 percent, reached in April 2007. BLS began publishing the state unemployment rate series in 1976.



The national unemployment rate was unchanged at 5.0 percent in December. December's unemployment rate was 0.6 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2006.

Alabama Payroll Employment

Alabama nonfarm payrolls decreased by 1,400 jobs, or 0.1 percent, on a seasonally adjusted basis during December. In the prior month, nonfarm payrolls increased by 7,800. Over the past 12 months nonfarm payrolls in Alabama increased by 20,300, or 1.0 percent. Alabama nonfarm payroll employment has increased in 9 of the past 12 months.

Nationally nonfarm payrolls rose by 292,000 in December, or 0.21 percent. Over the 12-month period ending in December 2015 nonfarm payrolls have increased by 2,650,000 jobs, or 1.9 percent.

During December, Alabama private-sector payrolls decreased by 1,400, or 0.1 percent. Private-sector payrolls increased by 9,000 jobs in the prior month. Over the past 12 months, private-sector payrolls in Alabama increased by 20,300, or 1.3 percent. Alabama private-sector payroll employment has increased in 9 of the past 12 months.

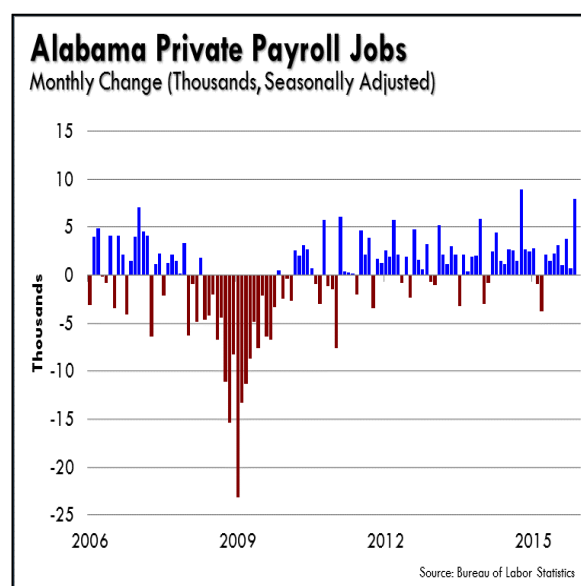
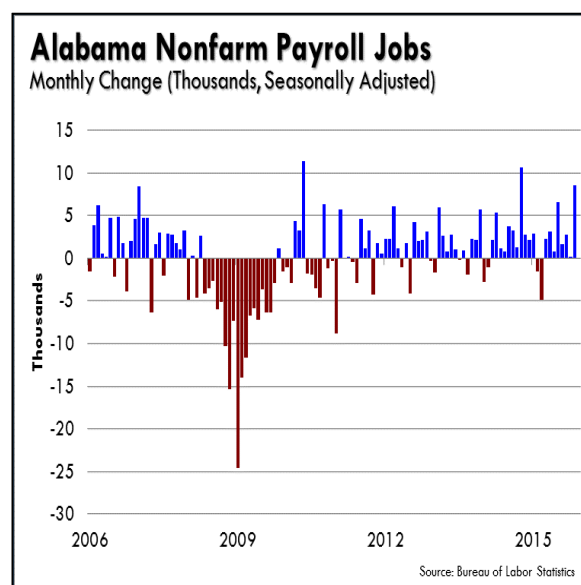
Nationally, private-sector payroll jobs increased by 275,000 in December, or 0.23 percent. Over the past 12 months, the nation's economy has added 2,551,000 jobs in the private sector, an increase of 2.1 percent.

During December, total government payroll employment in Alabama remained unchanged.

Federal government payroll employment increased by 600, or 1.1 percent. State government payroll employment decreased by 900, or 0.8 percent, while local government payroll employment increased by 300, or 0.1 percent.

Over the past year, total government payroll employment remained unchanged. State government payroll employment increased by 100, or 0.1 percent. Local government payroll employment decreased by 700, or 0.3 percent.

The best performing sectors on a seasonally adjusted basis during December were Trade, Transportation, and Utilities (+900) and Financial Activities (+300). The poorest



performing sectors during the month were Professional and Business Services (-1,700) and Leisure and Hospitality (-800).

The best performing sectors during the last twelve months were Education and Health Services (+5,000) and Leisure and Hospitality (+5,000). The poorest performing sectors for the year were Government (+0) and Financial Activities (+2,400).

Other Alabama Labor Force Statistics

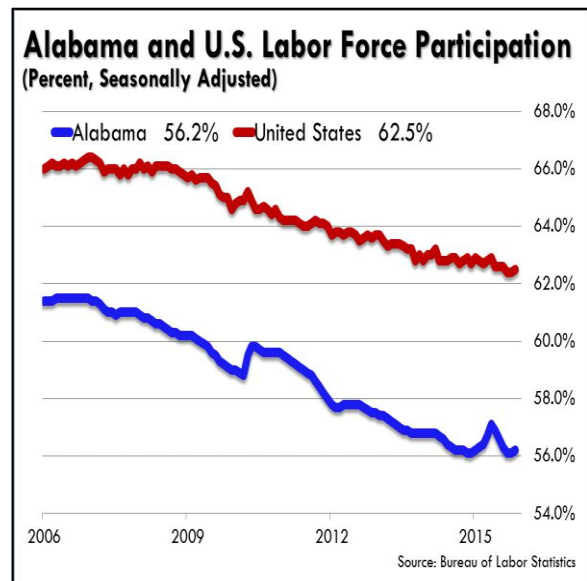
The labor force participation rate in Alabama increased to 56.4 percent in December. The labor force participation rate in Alabama is higher than it was a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10-year high for the labor force participation rate in Alabama was 61.5 percent in December 2006. The series high for the labor force participation rate in Alabama occurred in September 1997, when the labor force participation rate hit 64.6 percent. The 10-year low for the labor force participation rate was 56.1 percent in October 2015.

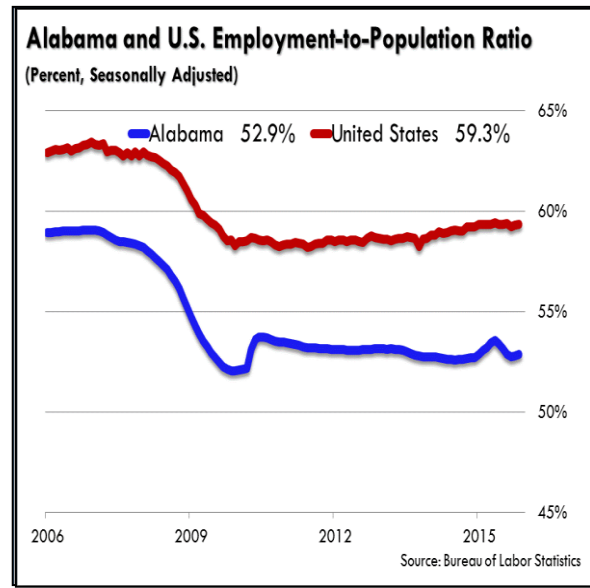
The national labor force participation rate increased to 62.6 percent in December. That rate was 0.1 percentage point lower than a year earlier. At 62.6 percent, the labor force participation rate remains near its post-recession low.

The employment-to-population ratio, or the percentage of the Alabama civilian noninstitutionalized population 16 years and older counted as employed, increased to 53.0 percent in December.

The 10-year high for the employment-to-population ratio in Alabama was 59.1 percent in December 2006. The series high for the employment-to-population ratio in Alabama occurred in October 1997 when the employment-to-population ratio hit 61.4 percent. The 10-year low for the employment-to-population ratio was 52.0 percent in December 2009. The series low for the employment-to-population ratio occurred in November 1982 when the employment-to-population ratio hit 50.7 percent.



The national employment-to-population ratio rose by 0.1 percentage point to 59.5 percent in December. That rate was 0.3 percentage point higher than a year earlier, and 0.1 percentage point higher than it was when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population ratio posted a reading lower than 58.2 percent was July 1983.



State employment and unemployment data for January is scheduled for release on March 14th. The national employment situation report for January will be released on Friday, February 5th.